



Agenda Report

Fullerton City Council

MEETING DATE: JULY 2, 2024

TO: CITY COUNCIL / SUCCESSOR AGENCY

SUBMITTED BY: STEPHEN BISE, P.E., PUBLIC WORKS DIRECTOR

PREPARED BY: DAVID GRANTHAM, P.E., CITY ENGINEER
GAR HUANG, ASSOCIATE ENGINEER

SUBJECT: CONTRACT WITH BIG BEN, INC. FOR SUNNY HILLS - TWILIGHT AREA WATER MAIN REPLACEMENT

SUMMARY

Award \$3,668,775 construction contract to Big Ben, Inc. for the Sunny Hills - Twilight Area Water Main Replacement Project.

PROPOSED MOTION

1. Approve plans and specifications for Sunny Hills - Twilight Area Water Main Replacement Project.
2. Approve \$4,100,000 Water Funds (Fund 44) budget transfer and appropriation from Project 53250 Water Main System Replacement to Project 53039 Sunny Hills - Twilight Area Water Main Replacement within the Water Fund (Fund 44).
3. Award a \$3,668,775 construction contract for Sunny Hills - Twilight Area Water Main Replacement Project to Big Ben, Inc. and authorize City Manager, or designee, to execute and administer the contract, in a form approved by the City Attorney.
4. Authorize Public Works Director, or designee, to approve any future change orders for construction and professional engineering construction support services within the approved project budget.

ALTERNATIVE OPTIONS

- Approve the Proposed Motion
- Reject all bids and rebid
- Other options brought by City Council.

STAFF RECOMMENDATION

Staff recommends the Proposed Motion.

CITY MANAGER REMARKS

The City Manager recommends approval.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement:

- Infrastructure and City Assets.

FISCAL IMPACT

The Fiscal Year 2024-25 Adopted Capital Improvement Program (CIP) Budget has funding for the project provided from Water Funds. Staff recommends a \$4,100,000 Water Funds budget transfer and appropriation from Project 53250 Water Main System Replacement to Project 53039 Sunny Hills - Twilight Area Water Main Replacement Project within the Water Fund (Fund 44).

Staff attached a budget Data Sheet / Summary of Bids and the Contractor Bid Schedule for reference (Attachments 1 and 2).

BACKGROUND AND DISCUSSION

This project would replace 2.26 miles of water pipe within the following residential streets: Las Palmas Drive, Potrero Drive, Las Riendas Drive, Tunaless Drive, Twilight Drive, Lovell Place, Rosehedge Drive, Sunny Hills Road, Teton Drive and Greenmeadow Drive as shown on Attachment 3.

The water pipes in this area have a significant history of water main breaks and need replacement. This project would help the City meet the 2019 Water Rate Study water main replacement goals. Staff reprioritized water main replacement projects due to escalating construction costs and deferred many Water Capital Improvement Projects to address replacement goals.

The City received eleven bids on May 28, 2024 with Big Ben, Inc. of Irvine submitting a \$3,668,775 lowest responsible base bid. The low bid submitted is approximately 42% lower than the \$6,282,919 engineer's estimate. Staff increased the engineer's estimate to account for post-pandemic market trend uncertainty and significant material and labor costs increases and attributes this to difference in estimated and actual bid costs.

Construction would tentatively start September 2024 with anticipated project completion in May 2025. Staff would notify residents and businesses of upcoming project construction and potential impacts.

Staff prefers that a street rehabilitation project follow this water main replacement project. However, staff cannot confirm a street rehabilitation project due to street funding budget constraints and priorities.

Staff prepared an environmental assessment in accordance with California Environmental Quality Act Guidelines and determined that the project is categorically exempt.

Attachments:

- Attachment 1 – Budget Data / Summary of Bids
- Attachment 2 – Bid Schedule
- Attachment 3 – Project Location Map
- Attachment 4 – Draft Agreement

cc: City Manager Eric J. Levitt